

PROPOSAL PACKAGE

FOR

AVIATION DEVELOPMENT

at the

Hollister Municipal Airport KCVH

The tentative schedule for this RFP process follows.

ACTIVITY (All times are local California time)	DATE
Pre-Proposal Meeting	Week of 3/17/2008
Proposal Due Date at 2:00 p.m.	4/16/2008
Optional Interviews with proposers	April/May 2008
Airport Commission Recommendation	May, 2008
City Council Selection	6/16/2008
Negotiation of Lease	As Needed

All dates are subject to change without prior notice. City is not responsible for costs or losses incurred by any proposer due to date changes.

RFP Contact:

Geri Johnson, City Clerk

375 Fifth Street, Hollister Ca. 95023

831-636-4304

Email cityclerk@hollister.ca.gov

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CITY OF HOLLISTER
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A. Introduction

The City of Hollister is seeking proposals for long term land lease and development of approximately 20.5 acres in 2 parcels. Proposal can be for either or for both parcels together. Please identify parcel(s) pertinent to your proposal. Proposal shall be for the following potential aviation uses:

- a. Facilities for storage, operation, and/or maintenance of business and corporate and general aviation aircraft
- b. Specialty general aviation facilities which may include, but not be restricted to: propeller shop; engine rebuild and overhaul; avionics facilities; and aircraft sales
- c. Other appropriate aviation related

The Hollister Municipal Airport is a small general aviation non-towered airport with 73,000 aircraft operations for the 12 month period ending January 23, 2007. There are 205 based aircraft, comprised of Vintage, Warbird, Experimental, Ultralight, Glider and General Aviation aircraft. The California Department of Forestry (CDF) is based at the Airport and is very active during the fire season from June through October. General Aviation activities include one full service FBO. Transient operations are primarily general aviation with occasional corporate jet aircraft.

The Hollister Airport has two runways, 13/31 6350x100', and 6/24 3150x100'. Both runways have load-bearing strength of 30,000 lbs single wheel, and 45,000 lbs double wheel. Both runways are presently Category B-11, with future plans for Category C-11 on runway 13/31 as described in the Airport Layout Plan.

Exhibit A depicts the location of the two parcels. Precise legal descriptions will be incorporated and confirmed in the lease.

The successful proposer will be responsible for planning, permitting, and construction of all site improvements including site drainage, utilities, landscaping, hangar development and maintenance of improvements of the hangar facility and non-FAA eligible funded taxiways and ramp areas, and preparation of all legally required environmental documents subject to state and federal laws, including but not limited to, the California Environmental Quality Act (CEQA) and National Environmental Protection Act (NEPA), and acquisition of all necessary permits.

B. Lease Terms

The information in this RFP does not constitute an agreement between the proposer and the City. The information contained in this RFP may be altered during the negotiation of the actual lease. The intent of the City in issuing this

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RFP is to solicit the best project for the site(s) and the most qualified proposer to complete the development. **Proposers are advised that specific terms of the lease will be negotiated after award of this proposal.**

C. Annual Rent

The successful proposer shall pay the annual rent as defined within lease agreement. The rental rate will be subject to ongoing adjustments as negotiated in the lease.

D. Proposal Guarantee and Security

Proposal Guarantee

Each proposal must be accompanied by a Proposal Guarantee in the form of a cashier's check payable, without condition or restrictive endorsement, to the City in the amount of **\$25,000** for each individual parcel, or **\$50,000** for the entire acreage. The Proposal Guarantee must be submitted in a separate sealed envelope in the same package as the proposal.

Proposal Guarantees of unsuccessful proposers shall be returned, without interest, immediately following the selection of a successful proposer by the Hollister City Council or after all proposals are rejected.

At such time as a successful proposer furnishes the City with the required bonds, security, performance guarantee or letter of credit, and insurance policies as required by the lease, the Proposal Guarantee will be returned to the proposer without interest. The Proposal Guarantee will be forfeited as liquidated damages in the event a successful proposer fails to execute said lease or to furnish said bonds, performance guarantee or letter of credit, or insurance within 30 days of the City Council's approval of the lease.

Security

Successful proposers will be required to provide security acceptable to the City for project completion. The security shall ensure proposer's performance of the work and all other obligations to the City relating to proposer's payment of contractors and completion of the improvements. The security must be in a form satisfactory to the City and shall remain in full force and effect until construction is completed to the satisfaction of the City. The City may require one or more of the following security instruments for this purpose:

- A performance bond after approval of the construction plans.
- A payment bond to guarantee the prompt payment to all persons supplying labor, materials, provisions, supplies and equipment used directly or indirectly by the contractor, subcontractors and suppliers involved in the capital improvements.

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- A completion bond issued by a surety company authorized to write surety business in California and in a form satisfactory to the City.
- A Letter of Credit issued by a financial institution satisfactory to the City and in form satisfactory to the City.

The City will not pay interest to a successful proposer on any security deposit provided.

E. Pre-Proposal Meeting and Site Tour

Proposers are strongly encouraged to attend the pre-proposal meeting at the date and time listed on page 1 at **SITE AND DATE TBD**.

The pre-proposal meeting will be immediately followed by a tour of the site. Proposers interested in participating in the meeting and/or tour must register by calling 831-636-4304 or e-mailing cityclerk@hollister.ca.gov.

F. Proposer Questions

All questions regarding this RFP shall be made in writing and shall be submitted to Geri Johnson via e-mail at cityclerk@hollister.ca.gov. All written questions will be responded to in writing. Registered pre-proposal attendees, and potential proposers who request such notification in writing, will be notified by e-mail when questions and answers, pre-proposal meeting materials, addenda, or other documents related to this RFP are available.

II. LEASE AGREEMENT OBLIGATIONS

A. Non-Waiver of Liability

The City, as a public entity supported by tax money, in execution of its public trust, cannot agree to waive any lawful or legitimate right to protect the public treasury and the right of the taxpaying public to recover amounts lawfully due it. Therefore, any proposer submitting a proposal herein agrees that proposer will not insist upon or demand any statement whereby the City agrees to limit in advance or to waive any right the City might have to recover actual lawful damages in any court of law under applicable California law. The City may agree to liquidated damages in lieu of certain delay damages.

B. Applicable Laws

Any and all legal disputes arising under the lease or license, or out of the RFP herein shall be tried according to the laws of the State of California.

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III. Proposal Submittal Instructions

A. Delivery of Proposals

The proposals shall be submitted to the City of Hollister, and City Council will refer responses to the Airport Advisory Commission. The Commission will review and recommend their findings to the Hollister City Council. The City Council will make the final determination on proposals submitted.

All proposal documents, including the proposal guarantee, shall be included in the package and shall be submitted in a sealed envelope marked "General Aviation Development" to the Hollister City Clerk. Each proposer must submit the following marked with the name of the proposer and the name of this RFP:

- Proposal Guarantee
- 1 original Proposal
- 2 hard copies of the entire Proposal
- 1 electronic copy of the entire proposal on a PC-compatible CD-ROM in Microsoft Word , Excel, or Photo Editor

All proposal packages will be stamped as to date received, irrespective of postmark.

The City Of Hollister assumes no liability for late delivery of any proposal. Any documents received after the above-noted time of acceptance will not be considered and, at proposer's request, will be returned.

It is the proposer's responsibility to be familiar with all information provided in this proposal package and any other information considered necessary to develop a proposal. **The City Council reserves the right to waive any proposal irregularity and to reject any or all proposals at its sole discretion.**

B. Form of Proposal

Proposals not following the specified format below or that are incomplete, conditional, obscure, or contain additions not requested, exceptions to material provisions, or irregularities of any kind, may be deemed non-responsive and disqualified from the process.

1. Proposal Guarantee
2. Business Plan

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Each proposer must submit with the proposal, a business plan entitled "Business Plan for the Hollister Airport General Aviation Development". The business plan shall include, but not be limited to the following:

- a. Proposed aviation development
- b. Marketing plans for primary business to be conducted.
- c. Amenities to be included to attract business to the operation
- d. A financial analysis including both capital development costs and payback, (including detailed basis of estimates) as well as operating costs projected through the first full three years of business.
- e. Names, addresses, and curriculum vitae of principals operating the business
- f. Names, addresses and curriculum vitae of persons who will manage the business on-site (if different to subparagraph e)
- g. Demonstration of financial resources to undertake the proposed development
- h. References of experience and completed similar aviation-related developments.

3. Conceptual Site Development Plan

Each proposer must include a Conceptual Site Development Plan which is defined as including at a minimum concept drawings depicting placement of all buildings on the parcel and proposed square footage of ramp area. The Conceptual Site Development Plan does not need to be stamped by a licensed architect. Award of a lease does not represent approval of the proposed Conceptual Site Development Plan.

4. Building Design Concept Drawings

Each Proposer must include Building Design Concept Drawings defined as color concept drawings depicting at a minimum, exterior elevations, design elements, square footage under roof, and a proposed floor plan. The Building Design Concept Drawings do not need to be stamped by a licensed architect. Award of a lease does not represent approval of the proposed Building Design Concept Drawings.

5. Schedule

Each proposer must include a schedule of anticipated milestones, including submittal of final concept plans, submittal of construction drawings, confirmation of financing if applicable, and construction. The schedule should demonstrate the proposer's ability to meet the proposed milestones.

6. Exceptions Page

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Proposers shall include a list of exceptions to the requirements of the RFP, if any, stated on a separate page labeled "Exceptions." The list shall identify the requirement, nature of the deviation, and explanation. If there are no deviations or exceptions to any portion of the RFP, proposer shall state so on a page entitled "Exceptions." If no deviations are identified and Proposer's proposal is accepted by the City, proposer shall conform to all of the requirements specified therein.

It is the intent of the City to award a lease on a fair, competitive basis. Exception to any provision or material requirement of this RFP or the proposal may be disqualified as non-responsive at the sole discretion of the City. However, exceptions shall not automatically make the proposal non-responsive. **Proposers must submit questions in writing regarding any clarifications about mandatory or material requirements in the RFP at the pre-proposal meeting or during the question and answer period.**

IV. EVALUATION CRITERIA

A. Review of Minimum Submittal Requirements

Each proposal will receive an initial review to determine if the proposal contains all of the materials and documentation required in Section III and adherence to the proposal submittal instructions ("Minimum Submittal Requirements"). Those proposals not meeting the Minimum Submittal Requirements may be rejected.

Proposals that do not follow the specified format in **Section III B** may be deemed non-responsive and disqualified from the review process.

B. Review of Substantive Content of Proposals

Proposals that have met the Minimum Submittal Requirements will receive an in-depth review of the substantive content of the proposal based upon the evaluative elements shown below.

The review process will include a detailed evaluation of how well each proposal meets the evaluative elements. The evaluative elements listed below are not necessarily complete or ranked in order of importance.

- Suitability of Business Plan, Conceptual Site Development Plan, Building Design Concept Drawings, Exceptions
- Financial benefit to Airport. Proposer can propose a fixed lease rent amount to the airport with annual CPI increases. In lieu of an annual land rent, the City of Hollister may consider proposals which provide

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for a percentage of gross earnings with an established minimum annual fee.

- Management and Operations Plans, including proposed services, methods for improving competition, customer satisfaction assurances, environmentally conscious practices etc.
- Financial benefit to the City, including increased employment, tax base, etc.
- Experience and Qualifications.
- Proposer's financial capability
- Feasibility of Proposal
- Timing of Anticipated milestones and Completion
- Proposer's ability to meet proposed milestones

All information submitted in the proposal will be reviewed and included in the evaluation process.

V. GENERAL TERMS AND CONDITIONS OF THE PROPOSAL

A. Disqualification

Factors such as, but not limited to the following, may disqualify a Proposer without further consideration:

- Evidence of collusion among Proposers, including but not limited to submission of multiple proposals either individually or as a member of a joint venture;
- Any attempt to exert undue influence with members of the Evaluation Panel, Airport Commission, City Council, or City staff;
- Existence of any unresolved litigation between Proposer and City;
- Any offering of an illegal gift to City or its representative, in contravention of the City's Municipal Code, the City's Ethics policy or State law;
- The default of a joint venture partner, individual partner or shareholder in any concession may be considered a default of Proposer under this Section, if such defaulting entity or person has ownership interest in Proposer.

B. DBE Requirements

In compliance with the City of Hollister policy that Disadvantaged Business Enterprises (DBE's), as defined in 49 CFR Part 23, shall have the maximum opportunity to participate in the performance of contracts, the Airport seeks to

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encourage the participation of bona fide DBE's. Participation can be satisfied through a joint venture, suboperator or subcontract arrangement.

C. Materials Submitted

All materials submitted in response to this RFP become the property of the City. Each proposer, as an express condition for the City's consideration of such proposal, agrees the contents of every other proposal are confidential and proprietary, and waives any right to access such Proposals until 30 days after City Council awards the lease(s) for this RFP.

D. City's Reservation of Rights

The City reserves the right to take any course of action as the City deems appropriate at the City's sole and absolute discretion, which may include:

- waiving any defects or informalities in any proposal or proposing procedure;
- accepting or rejecting any or all proposals or any part of any or all proposals;
- canceling the RFP in part or in its entirety;
- reissuing the RFP with or without modification;
- any other option deemed to be in the City's best interest.

E. Addenda

The City shall not be responsible for any oral instructions given by any employees or officials of the City regarding RFP instructions, specifications or documents. Any changes will be addressed in writing.

F. Right to Investigate

In addition to submitted references, the City may obtain information on past performance of any previous or existing leases.

The City's determination as to whether the proposer is qualified and responsible will be based on the information furnished by the proposer in the proposal requirements, interviews (if applicable), as well as from other sources determined to be valid by the City. Award will not be made until after such investigations, as are deemed necessary, are made by the City regarding the experience and financial responsibility of the proposer, which each proposer agrees to permit by submitting its proposal.

G. Execution of License and Lease

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G. Execution of License and Lease

After completion of the evaluation process, the Hollister City Council will direct staff to enter into lease negotiations with the successful proposer. A lease must be entered into within 120 days. This time may be extended at the discretion of the City Council.